

COLORADO DIVISION OF HOUSING

HOUSING CHOICE VOUCHER BRIEFING PACKAGE



Division of Housing Contractor: _____

Family Name: _____

Date Provided to the Family: _____

(Revision Date: 11/15/2002)

BRIEFING PACKAGE RECEIPT

I (We) have read and received copies of:

1. Section 8 Housing Choice Voucher Program Briefing Packet
2. Booklet “Protect Your Family From Lead in Your Home’ (attached)
3. Booklet “Are You a Victim of Housing Discrimination” and Complaint Form (attached)
4. Housing Choice Voucher, # _____ (attached)
5. Tenancy Addendum (attached)
6. Request for Tenancy Approval (attached)

Signature of Head of Household

Signature of Spouse

Signature of household members over the age of 18

- **DOH Contractors, place this signed receipt in the family file.**

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1. OVERVIEW OF THE SECTION 8 RENTAL ASSISTANCE PROGRAM (A.K.A THE HOUSING CHOICE VOUCHER PROGRAM)

The Federal Section 8 program, funded by the U.S. Department of Housing and Urban Development (HUD), began in 1975 as a way to assist low-income families, elderly people and people with disabilities to rent decent, safe and affordable housing in the community. Through this program, individuals and families receive a “voucher,” also referred to as a “rental subsidy.” This voucher can be used to rent the housing of their choice that meets the Section 8 program requirements. These subsidies are long-term and considered permanent housing.

In 1975, when this housing assistance program was established, it was referred to as the “Section 8” program. In many communities, it is still referred to by this name. However, a Federal housing law passed in 1998 gave the program a new name, the Housing Choice Voucher Program (HCVP). Because it is more familiar, this briefing packet will use the term “Section 8 program” instead of the HCVP.

The Section 8 program helps low-income people who do not have enough money to pay their rent by providing a Section 8 subsidy, which is based on a moderately priced rental housing in their community. The Section 8 household pays a portion of the monthly housing costs, based on the income of the household. The household’s portion is usually – but not always – equal to 30 percent of its monthly-adjusted income. However, according to a 1998 Federal rule the household’s portion of the rent can be as high as 40 percent, but no higher.

2. COLORADO DIVISION OF HOUSING – A STATE PUBLIC HOUSING AGENCY

The Colorado Division of Housing (DOH), Section 8 program serves metro and non-metro areas of the State. The DOH does this by contracting the direct services of the program to a number of local housing agencies, many of which are small housing authorities, non-profits or council of governments. These agencies ensure that families meet the eligibility requirements of the program, maintain the waiting list for the area being served, and perform Housing Quality Standards inspections on the rental units selected. DOH is a State Public Housing Agency (PHA) and has Statewide-jurisdiction to work in all counties within the State.

3. DETERMINING THE TOTAL TENANT PAYMENT AND THE SECTION 8 RENT SUBSIDY

To fully understand the Section 8 program, it is important to understand how the following three components relate to one another:

- The Section 8 household’s share of the rent (a.k.a. total tenant payment) based on Section 8 rules;
- The Section 8 rent subsidy, based on the DOH Section 8 payment standard;
- The total cost of the housing, including the rent charged by the owner, as well as the cost of any tenant-paid utilities. HUD requires this cost to be “reasonable” based on modest housing costs in the local community.

Total Tenant Payment

DOH contractors determine a household's tenant payment by collecting income and asset information. DOH contractors also consider medical, disability and child care deductions to determine the Total Tenant Payment (TTP) of the family. Again, the Section 8 household's portion is usually, but not always, equal to 30% of its monthly-adjusted income.

Payment Standard

Under the Section 8 rules, DOH establishes the "payment standard," for its Section 8 program. These payment standards are used to calculate the maximum amount of the Section 8 rent subsidy the DOH will pay for units rented through the program. If DOH increases its payment standard the amount of the rent subsidy automatically goes up, and visa versa.

DOH has the discretion to set its Section 8 payment standard at an amount between 90% and 110% of the Fair Market Rent (FMR) for that area. HUD publishes the Fair Market Rent schedule annually. DOH sets its payment standard for each county at the published FMR. DOH contractors can request 110% of the FMR, if they can provide housing market information that substantiates their request.

DOH Rent Subsidy Amount

Once the TTP and the payment standard are known, the amount of the Section 8 rent subsidy can be calculated. The maximum rent subsidy is the highest amount DOH is authorized to pay the owner. The maximum Section 8 rent subsidy is calculated by subtracting the Total Tenant Payment from the payment standard.

Example

One (1) Bedroom Payment Standard	\$542
Total Tenant Payment	<u>\$100</u>
Maximum DOH Rent Subsidy	\$442

However, the maximum DOH rent subsidy is not necessarily the actual rent subsidy that DOH will pay. The actual DOH rent subsidy will be based on the cost of the rental unit selected by the Section 8 household and this can be less than the maximum rent subsidy. DOH will only pay the maximum rent subsidy if the Section 8 household selects a unit with housing costs that are equal or exceed the payment standard. If the cost of the rental unit is less than the payment standard then the DOH rent subsidy will be less. If the cost of the rental unit is more than the payment standard then the Section 8 household must pay more than 30 percent of its income as the total tenant payment. Keep in mind that at initial lease up the family cannot pay more than 40 percent of their adjusted monthly income toward the rent. The housing agency working with you can provide you information on the payment standard and utilities.

Example #1 (Rent + Utilities less than the Payment Standard)

Rent + Utilities – (1 BDR)	\$520
Total Tenant Payment	<u>\$100</u>
DOH Rent Subsidy	\$420

Example #2 (Rent + Utilities more than the Payment Standard)

Rent + Utilities – (1 BDR)	\$625
Maximum DOH Rent Subsidy	<u>\$442</u>
Total Tenant Payment	\$183

Exception Payment Standard for People with Disabilities

On a case-by-case basis, HUD may approve a higher payment standard for a person with a disability as a reasonable accommodation. DOH has the ability to approve an exception rent for a person with disabilities up to 110% of the FMR. HUD can approve an exception rent for a person with disabilities up to 120% of the FMR. If you are a disabled person who needs an increase in the payment standard for reasonable accommodation, please contact the housing agency working with you.

4. VOUCHER ISSUANCE AND SEARCHING FOR A RENTAL UNIT

The following subsidy standards will be used to determine the size Housing Voucher issued to an applicant at the time they begin their housing search. These standards are developed in accordance with Section 8 program regulations; the rules state that there must be at least one bedroom or living/sleeping room for each two persons in the family. Families are issued Housing Vouchers that are appropriate to their needs.

Voucher	Minimum Persons	Maximum Persons
0 Bedroom	1	2
1 Bedroom	1	4
2 Bedroom	2	6
3 Bedroom	3	8
4 Bedroom	5	10
5 Bedroom	7	12

- Foster children will be included in determining unit size;
- Live-in attendants will generally be provided a separate bedroom;
- Space may be provided for a child who is away at school but who lives with the family during school recesses;
- Units will be assigned so that a minimum of one person will occupy each bedroom;
- Exceptions based on age, sex, disability, or other circumstances may be considered by the local housing agency.
- A child is defined as a person under the age of 18 who is not the Head of Household or the spouse.

Time Frame to Search for a Rental Unit

Once a voucher is issued, the household must find a suitable rental unit within 60 days that meets the Section 8 program guidelines. If a family has difficulty finding a unit (especially in a tight market) the voucher search time can be extended up to another 60 days which will be given in 30 day intervals. In order for an extension to be given, the family must reasonably prove that they have not been able to locate a unit through no fault of their own. If a family fails to find a unit in this time frame, the voucher will be given to another family on the waiting list.

Owner Property Listings

A listing of owners willing to rent their unit to Section 8 families should be attached to this briefing package. If not, ask your housing agency for a list of property owners. This listing can help you in locating a suitable rental unit.

Renting from Relatives

DOH cannot approve a unit for lease under the Section 8 program if the owner is a parent, child, grandparent, grandchild, sister or brother of any member of the Section 8 household. However, this regulation can be waived as a reasonable accommodation for a person with a disability.

Request for Tenancy Approval

Once a unit has been located, the Section 8 voucher holder provides the owner of the rental unit a “Request for Tenancy Approval” which is attached at the back of this briefing package. The rental unit owner or a property manager working on the owner’s behalf must complete and sign the form. The household then will submit this form to the housing agency. The submission of this request, “freezes” the housing search “clock” and signals the housing agency to:

- Start the inspection process;
- Check to make sure the rent is reasonable;
- Verify the rent is acceptable given Section 8 payment standard guidelines;
- Determine the DOH subsidy amount

Rent Reasonableness

The housing agency is responsible for ensuring that the rent charged by the owner for the rental unit is reasonable when compared to similar unsubsidized units in the community. The rent reasonableness test performed by the housing agency will take into consideration the location, size, type, quality, amenities, facilities, management, and maintenance of each rental unit. In order to perform the rent reasonableness test, your housing agency will gather rent data from the community and will verify that Section 8 rents are reasonable in comparison to unassisted units. The rent reasonableness test is designed to ensure that property owners do not “overcharge” for Section 8 units.

Housing Quality Standards

Housing leased under the Section 8 program must meet HUD’s Housing Quality Standards (HQS) and must be physically inspected by the housing agency. The inspection is required to ensure that housing leased with Federal funds is maintained in decent and safe condition. Before any Section 8 assistance can be provided on behalf of a household, the unit must “pass” the HQS inspection. You may request a copy of the Housing Quality Standards inspection form from your housing agency if you wish to provide this to a prospective

landlord when looking for the right rental unit to fit your needs. Or you may provide a landlord our web site address to view the HQS requirements at www.dola.state.co.us/doh/training.htm.

Lead-Based Paint

The US Department of Housing and Urban Development (HUD) has issued a regulation to protect young children from Lead-Based Paint (LBP) hazards in federally assisted housing. This requirement took effect on September 15, 2001. The regulation sets “hazard reduction requirements” that emphasize reducing lead in household dust. Scientific research has found that exposure to lead dust is the most common way young children become lead poisoned.

DOH Section 8 contractors annually inspect rental units according to HUD Housing Quality Standards (HQS). The new regulations require that housing contractors visually inspect all painted surfaces, both interior and exterior, if:

- The unit was built before January 1, 1978, and
- The unit is occupied by children under the age of 6 or by a pregnant woman.

Your landlord should provide you with a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards. If your landlord does not have this form, a copy has been included at the back of this briefing package along with the booklet, “Protect Your Family From Lead In Your Home.” It is very important for you to read this information thoroughly and feel free to ask the housing agency staff questions that you may have.

5. PORTABILITY

With Section 8 rental assistance you are allowed the opportunity to move within or outside the locality in which you receive assistance. Moving outside the locality in which you receive your assistance is called portability. With portability you may move anywhere in the country. Portability does have a few stipulations:

- If you did not live or work in the housing agency jurisdiction when you applied for the program, you will be required to move to that jurisdiction and live there for one year in order to use your assistance. After one year you will be allowed to move outside of that area.
- You cannot owe any housing agency money if you wish to utilize portability.
- If you live or work in the housing agency jurisdiction when you applied for the Section 8 program, and you wish to move to another jurisdiction, you must income qualify within the area in which you want to move.

To exercise portability you must:

- Notify the housing agency and the landlord that you intend to move. You should review your lease to make sure that you have given the landlord proper notice. Let your current housing agency know where you intend to move.

- The housing agency will send a packet of all relevant file information to your new (receiving) Housing Agency. The Housing Agency will then inform you of the agency and person with whom you will be working.
- Not owe any money to the HA.
- Be in good standing with the Housing Agency.

6. EXPANDING HOUSING OPPORTUNITIES

DOH has developed this policy in order to encourage owners of rental units, outside of poverty or minority concentrated areas, to rent to voucher holders. DOH provides vouchers in mostly rural areas of the State, but does administer some vouchers in the Denver metropolitan area. Although every area of the State is unique, DOH promotes expanding area wide housing opportunities in a variety of ways. If you are living in a high-poverty census tract, you are encouraged to move to areas that offer greater opportunities for education and jobs. The advantages of moving to a low-poverty area are typically that such areas have greater job opportunities, better schools, lower crime rates, better public services, more shopping, and other amenities. The following is a list of actions that DOH contractors are required to perform:

- DOH requires that its contractors contact landlords in person or by telephone in order to explain the benefits of the rental assistance programs. Formal meetings are encouraged to provide information to rental owners, realtors and property managers.
- DOH sends out a newsletter semi annually to owners with their rental subsidy checks. This newsletter keeps owners informed about changes in the Voucher Program and encourages and thanks them for their continued support and participation.
- DOH is within the Department of Local Affairs, which also contains the State Demography Section. If your vouchers are in the Denver Metro area, DOH can provide your agency with a Denver Metro map from Demography that outlines impoverished areas. DOH requires its metro-area contractors to include this map in the family briefing session to show families where there is a high concentration of impoverished areas and to encourage them to seek rental units outside of these areas.
- DOH contractors routinely provide lists of owners who are willing to work with voucher holders, and a list of organizations that are willing to help families find units can also be provided. Also, upon request, a map showing the amenities of the area (schools, day cares, stores, transportation, etc.) will be given to program participants.

Coordination of supportive services seems to be the key factor to assisting families in escaping poverty. Federal agencies such as the Departments of Agriculture, Education, Health and Human Services, and Housing and Urban Development are requesting that State departments plan and coordinate their supportive service programs. In addition, local governments and non-profits are required to coordinate supportive services in their local areas in order to apply for new program funding. With a coordinated effort of linking job training, education, employment opportunities, child-care, transportation, housing and food stamp

benefits, it is hoped that poverty stricken families will receive a variety of services to assist them in getting up and off the welfare rolls. DOH has been active in participating in this process with the promotion of Family Self-Sufficiency Programs throughout the State.

7. FAIR HOUSING

Both State and Federal laws exist which prohibit discrimination in housing. These laws prohibit discrimination of protected classes based on: Race, Color, National Origin, Religion, Sex, Handicap and Familial Status. Attachment II of this briefing package contains information about Fair Housing and how to file a complaint if you feel you have been discriminated against. For more information on Fair Housing, please contact the Colorado Civil Rights Commission at 1-800-262-4845. You may also call the “Fair Housing Hotline” at 1-866-231-6946.

8. HOMEOWNERSHIP

The Section 8 program currently provides the opportunity for families participating in the program to become homeowners. Families who have been participating in the Section 8 program for at least one year may request the homeownership option. Families must work closely with their local Section 8 Contractor to determine the best method of fulfilling the goal of homeownership. This includes establishing the family’s ability and readiness to become homeowners.

The family has certain requirements and responsibilities, such as finding a lender that will qualify them for a home loan, providing \$1,000 toward the purchase of their home, finding a suitable home to purchase, and participating in a first time home buyer class.

If you have questions about the DOH Homeownership Program, please review our plan at www.dola.state.co.us/DOH under Rental Assistance or contact the housing agency you are working with to obtain a copy of the plan.

9. FAMILY OBLIGATIONS

When a family’s unit is approved and the HAP contract is executed, the family must follow the rules listed below in order to continue participating in the Section 8 Program.

The Family Must:

- Supply any information that the HA, DOH or HUD determines to be necessary including evidence of citizenship or eligible immigration status and current information on family income and composition.
- Disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Report any changes of income within 10 days.
- Supply any information requested by the HA to verify that you are living in the unit or information related to your absence from the unit.

- Promptly notify the HA in writing when you are away from the unit for an extended period of time, in accordance with DOH policies.
- Allow the HA to inspect your home at reasonable times and after reasonable notice.
- Notify the HA and the owner of your unit, in writing, before moving out of the unit or terminating the lease.
- Use the assisted unit only for residence by you and your family, and the unit must be your only residence.
- Promptly notify the HA in writing of the birth, adoption, or court-awarded custody of a child.
- Request HA written approval to add a new family member as an occupant of the unit.
- Promptly notify the HA in writing if any family member no longer lives in the unit.
- Give the HA a copy of any owner eviction notice.
- Pay utility bills and provide and maintain any appliances that the owner is not required to supply under the lease.
- Provide accurate and complete information to the HA.

You (including each family member) must not:

- Own or have any interest in the unit (other than in a cooperative, or as the owner of a manufactured home on a leased space).
- Commit any serious or repeated violation of the lease.
- Commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- Engage in drug-related criminal activity or violent criminal activity or any other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- Sublease the unit, assign the lease, or transfer the unit.
- Receive housing choice voucher program housing assistance while receiving another housing subsidy, for the same or a different unit, under any other Federal, State or local housing assistance program.

- Damage the unit or premises or permit any guest to damage the unit or premises.
- Receive housing choice voucher program housing assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the HA has determined (and has notified the owner and the family of such determination) that this arrangement provides a reasonable accommodation for a person who is disabled.
- Engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.

Any violation of these rules may result in the termination of your Section 8 housing assistance.

10. LANDLORD OBLIGATIONS TO THE FAMILY

- The landlord must supply a safe, decent, and sanitary home. This home must pass the annual Housing Quality Standards inspection.
- The landlord must not enter into any separate monetary agreements with the tenant.
- The landlord must agree to the Section 8 lease addendum provisions.
- Notwithstanding anything to the contrary contained in the lease, any provisions of the lease that fall within the classifications below shall be inapplicable.
 - a. Confession of Judgment. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the landlord in a lawsuit brought in connection with the lease.
 - b. Treatment of Personal Property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant, and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning dispersion of personal property left in the contract unit after the tenant has moved out. The owner may dispose of this personal property in accordance with State and local law.
 - c. Excusing Landlord from Responsibility. Agreement entered into by the tenant with the landlord that would not hold the landlord or landlord's agents legally responsible for any actions or failure to act, whether intentional or negligent.
 - d. Waiver of Legal Notice. Agreement entered into by the tenant and the landlord in which the landlord may institute a lawsuit against the tenant without notice to the tenant.
 - e. Waiver of Legal Proceedings. Agreement by the tenant that the landlord may evict the tenant or household members (1) without instituting a civil court proceeding in which the family

has the opportunity to present a defense, or (2) before a decision by the court on the rights of the parties.

- f. Waiver of Jury Trial. Agreement by the tenant to waive any right to a trial by jury.
- g. Agreement by the tenant to waive any right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.
- h. Agreement by the tenant to pay the owner's attorney fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. However, the tenant may be obligated to pay costs if the tenant loses.

11. INFORMAL HEARING PROCEDURES

DOH Section 8 Contractors will give a participant of the Housing Voucher Program the right to an Informal Hearing prior to termination, change in the participant's portion of the rent or Voucher subsidy size. The right to an Informal Hearing may occur under the following circumstances:

- A determination of the family's gross and adjusted income, TTP, or utility allowance
- A decision to reduce, terminate, or deny assistance
- A determination of the subsidy size allocated on the Voucher
- Procedures to be followed are: The HA will notify the family of the decision as well as the family's right to an explanation, and their right to request, in writing, a hearing within 10 business days of the notice.
- In the case of a family whose assistance is being terminated, and the family is currently living in a unit with Section 8 assistance, the agency will provide an opportunity for an Informal Hearing before the actual termination of the housing subsidy. A copy of the letter will be mailed to the landlord to notify them of the situation, and the possible termination of the housing subsidy.
- The Contractor will schedule the hearing within 10 business days from the receipt of the family's written request for a hearing.
- The Executive Director will select the Hearing Officer. The Hearing Officer must be someone other than the person who made the original decision or a subordinate of that person. The DOH staff can be available by telephone conference call to be the Hearing Officer.
- The procedure for requesting and conducting a hearing will be provided to each family during the Housing Voucher briefing.

- If a program violation occurs, the contractor will make a reasonable attempt to contact the family to inform them of their right to an Informal Hearing or the time of the scheduled hearing. Sending a certified letter is viewed as a standard way of informing a family of the Informal Hearing. A receipt of delivery should be requested from the US Post Office. The contractor is not responsible for ensuring that the family receives this notice. They can only document the proof of sending such notice. If the family fails to schedule an Informal Hearing or fails to appear at the scheduled hearing, they waive their right to subsequent hearings, unless the contractor chooses to allow another opportunity.

ATTACHMENTS

- I. BOOKLET “PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME”
- II. BOOKLET “ARE YOU A VICTIM OF HOUSING DISCRIMINATION” AND COMPLAINT FORM
- III. HOUSING CHOICE VOUCHER
- IV. TENANCY ADDENDUM
- V. REQUEST FOR TENANCY APPROVAL
- VI. LISTING OF LANDLORDS OF OTHERS WHO MAY BE WILLING TO LEASE A UNIT
(Section 8 Contractor must prepare a listing of units available to Section 8 families within their community. The contactor may contact DOH for help in compiling this list).
- VII. METRO CONTRACTORS ATTACH MAP SHOWING HIGH AREAS OF POVERTY CONCENTRATION.